# OCS Policy Committee Meeting

2002-2007 5-Year OCS Leasing Program
UPDATE
October 31, 2001

### LEGAL MANDATE

- Section 18 of the OCS Lands Act requires the Secretary of the Interior to prepare and maintain a 5-year oil and gas leasing program
- Preparation of a program is governed by detailed substantive and procedural requirements prescribed by section 18
- The requirements of the National Environmental Policy Act (NEPA) also apply

## STEPS IN THE PREPARATION PROCESS

- Sections 18(c) and (d) require:
  - (1) Request for Information (followed by 45-day comment period)
  - (2) Draft Proposed Program (60-day comment period)
  - (3) Proposed Program and Draft EIS (90-day comment period)
  - (4) Proposed Final Program and Final EIS (60-day waiting period)
  - (5) Approval

### COMPARATIVE ANALYSIS

- Section 18(a)(2) requires that timing and location of leasing be based on consideration of the 26 OCS planning areas in terms of:
  - geographical, geological, and ecological characteristics
  - developmental benefits and environmental risks
  - regional and national energy needs
  - other uses of the sea and seabed
  - industry interest
  - laws, goals, and policies of affected States
  - environmental sensitivity and marine productivity
  - other relevant environmental and predictive information

### BALANCING DECISION

- The comments of interested and affected parties—which in many cases provide valuable information for the comparative analysis—must also be considered
- Section 18(a)(3) requires the Secretary's decisions on the timing and location of leasing to strike a balance between the potential for discovery of oil and gas and the potential for environmental damage and adverse impact to the coastal zone

### PRESIDENTIAL LEASING WITHDRAWAL

- The 1998 withdrawal made under the authority of section 12 of the OCS Lands Act applies to all or portions of 10 planning areas
  - North Aleutian Basin
  - Washington-Oregon, Northern California, Central California, and Southern California
  - North Atlantic, Mid-Atlantic, and South Atlantic Straits of Florida (the portion encompassed by the Florida Keys National Marine Sanctuary)
  - Eastern Gulf of Mexico (except proposed Sale 181 area)

### PRESIDENTIAL LEASING WITHDRAWAL

- The withdrawn areas generally are those that have been subject to long-running annual congressional moratoria
- The withdrawal covers the tenure of the next two 5-year programs (and beyond as it applies to marine sanctuaries)

### EFFECT OF THE WITHDRAWAL ON 5-YEAR PROGRAM PREPARATION

- The section 12 withdrawal may be viewed as "trumping" the comparative analysis requirements of section 18 as they relate to the withdrawn areas
- Therefore, we are not required to consider the withdrawn areas in preparing the next 5-year program

### WHERE WE ARE IN THE PREPARATION OF A NEW PROGRAM FOR 2002-2007

- The MMS started the process in December 2000 with a request for comments and information
  - we received some 10,150 comments. All except about 100 were variations of an email form letter expressing opposition to the OCS oil and gas program
  - we considered the comments and prepared a comparative analysis focusing on the available (not withdrawn) Gulf of Mexico and Alaska areas
  - On July 23, '01 we issued a Draft Proposed Program considering leasing in 8 Planning Areas (5 off Alaska and 3 in the Gulf of Mexico). A 60-day comment period, closing on September 21, followed.

# Who we heard from, and what we heard . . .

- 9000+ individual comments nearly all email form letters opposing the program
- 23 comments from Federal, State, and Local Governments with a wide variety of views
- 18 comments from Special Interest Groups mostly in opposition to the program, particularly in Alaska
- 9 Companies submitted comments concerning Gulf of Mexico Leasing

# Who we heard from, and what we heard . . . cont'd

- 5 Companies submitted comments concerning Leasing in Alaska.
- 5 Oil & Gas Industry Associations submitted comments on various aspects of the Draft Proposed Program
- The Proposed program provides a summary of the comments received.

  All the comments can be found on our Website www.mms.gov

### SUBSEQUENT STEPS

- After considering all the DPP comments
- October 26, 2001 -- we issued the Proposed Program and Draft EIS
  - focuses on the same 8 planning areas in the DPP
  - 90-day comment period will end in January 2002
- April 2002--Issue Proposed Final Program and Final EIS
  - 60-day waiting period ending in June 2002
- June 2002--Secretarial Approval of the 5-Year Program for 2002-2007 (to take effect as of July 1, 2002)

# What's in the Proposed Program?

- 3 Beaufort Sea Sales '03, '05, & '07
  - deleted 23 spring lead blocks inadvertently included in the DPP
- 2 Chukchi/Hope Basin Sales '04 & '07
- 1 "special" Sale in Norton Basin '03
- 2 Cook Inlet/Shelikof Sales '04 & '06
- 5 Western & 5 Central Gulf of Mexico Sales
- 2 Eastern Gulf Sales in the same area as Sale 181 - '03 & '05

# THANK YOU